

ORIGINAL

OPEN MEETING



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MEMORANDUM

AZ CORPORATION COMMISSION

DOCKET COMMISSION Arizona Corporation Commission

TO: THE COMMISSION

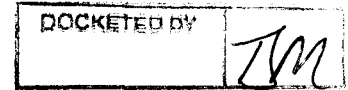
2012 JUN 29 PM 2 29

DOCKETED

FROM: Utilities Division

JUN 29 2012

DATE: June 29, 2012



RE: **COMPLIANCE FILING PER DECISION NO. 71878** Best Management Practices for Global Water - Santa Cruz Water Company, Valencia Water Company - Town Division, Valencia Water Company - Greater Buckeye Division, Water Utility of Greater Tonopah and Willow Valley Water Company (DOCKET NOS. W-02451A-09-0078, W-01732A-09-0079, W-20446A-09-0080, W-02450A-09-0081 AND W-01212A-09-0082) **SW-20445A-09-0077**

Introduction

On September 14, 2010, the Arizona Corporation Commission ("Commission") issued Decision No. 71878 which established new schedules of rates and charges for Global Water - Santa Cruz Water Company, Valencia Water Company - Town Division, Valencia Water Company - Greater Buckeye Division, Water Utility of Greater Tonopah and Willow Valley Water Company (collectively, the "Global Utilities"). As part of the Decision, the Commission ordered that the Global Utilities submit Best Management Practices ("BMPs") for Staffs review and the Commission's consideration. The Decision requires that the Global Utilities water systems with average customer counts exceeding 5,000 shall have a minimum of 10 BMPs and Global Utilities water systems with customer counts less than 5,000 shall have a minimum of three BMPs.¹

Company's Compliance Filing

On June 1, 2012, the Global Utilities filed their proposed BMP Tariffs. In their compliance filing the Global Utilities are requesting Commission approval of the conservation measures listed below.

Global Utilities proposed the following three BMPs for Global Water - Santa Cruz Water Company, Valencia Water Company - Town Division, Valencia Water Company - Greater Buckeye Division, Water Utility of Greater Tonopah and Willow Valley Water Company.

1. **Local and/or Regional Messaging Program Tariff – BMP 1.1:** A program for the Company to actively participate in a water conservation campaign with local or regional advertising.

¹ The average customer count is used to determine the required number of BMPs for a Company with multiple water systems. Decision No. 71878 page 87 lines 10-14.

2. **Meter Repair and/or Replacement Tariff – BMP 4.2:** A program for the Utility to systematically assess all in-service water meters (including Company production meters) in its water service area to identify under-registering meters and to repair or replace them.
3. **Water System Tampering Tariff – BMP 5.2:** The purpose of this tariff is to promote the conservation of groundwater by enabling the Utility to bring an action for damages or to enjoin any activity against a person who tampers with the water system.

Global Utilities proposed the following seven additional BMPs for Global Water - Santa Cruz Water Company and Valencia Water Company - Town Division. These two Companies each have water systems with average customer counts exceeding 5,000.

1. **Special Events/Programs and Community Presentations Tariff – BMP 1.2:** The purpose for the Utility to give presentations and/or display and make available water conservation information and related material at community and special events.
2. **Youth Conservation Education Program Tariff – BMP 2.2:** A program for the Utility to promote water conservation by increasing students' understanding of water resources and the need to conserve.
3. **Customer High Water Use Inquiry Resolution Tariff – BMP 3.6:** A program for the Utility to assist its customers with their high water-use inquiries and complaints.
4. **Leak Detection Program Tariff – BMP 4.1:** A program for the Utility to systematically evaluate its water distribution system to identify and repair leaks.
5. **Comprehensive Water System Audit Program Tariff – BMP 4.3:** A program for the Utility to perform a systematic audit of its water system(s) and water records to identify and quantify water losses.
6. **Development of Industry Partnerships Tariff – BMP 7.6:** A program for the Utility to encourage and implement collaborative efforts and activities to conserve and promote the conservation of water.
7. **Providing Financial Support or In-Kind Services for Development of New Conservation Technologies and Products Tariff – BMP 7.7:** A program for the Utility to encourage and implement collaborative efforts and activities to conserve and promote the conservation of water.

Staff's Analysis

Background Information and Service Area Characteristics

Global Water Resources, Inc. ("GWRI") is the parent company of the Global Utilities. The Global Utilities were acquired by GWRI between 2004 and 2006. GWRI was serving approximately 40,000 active water and wastewater connections in portions of Maricopa, Mohave, and Pinal Counties as of year-end 2011.

GWRI has been required under the Arizona Department of Water Resources' ("ADWR") Modified Non-Per Capita Conservation Program ("MNPCCP") to implement BMPs. Global Water – Santa Cruz Water Company resides in the Pinal Active Management Area ("AMA") and the Valencia Water Company – Town Division resides in the Phoenix AMA. Both Global Water – Santa Cruz Water Company and Valencia Water Company – Town Division have more than 5,000 connections so both utilities were required by ADWR to implement five BMPs. BMPs 1.1, 2.2, 3.6, 4.3, 5.4 and 7.1 have been approved by ADWR. Four of the BMPs selected to meet MNPCCP requirements were also selected to meet Decision No. 71878 requirements.

Proposed Tariffs

Staff created a set of BMP tariff templates that were developed using the BMP descriptions outlined in the ADWR MNPCCP and relevant ADWR documents. ADWR representatives were provided with a copy of these templates; revisions were made to the templates where appropriate to incorporate any comments/suggestions provided by ADWR.

The BMP tariffs filed by the Global Utilities on June 1, 2012, were based on the templates developed by Staff. The tariffs that Staff and the Global Utilities reached agreement on generally conform to the templates developed by Staff. Minor modifications were included to reflect the Global Utilities' specific management and operational requirements.

ADWR considers seven of the proposed BMPs, applicable to any service area. Staff, concludes that the selected BMPs are relevant to Global Utilities' service area characteristics.

Recommendation

Staff concludes that the BMPs proposed are relevant to the Global Utilities' service area characteristics. The tariffs proposed by the Global Utilities generally conform to the templates developed by Staff. Therefore, Staff recommends approval of the BMP tariffs filed by the Global Utilities on June 1, 2012, attached as Exhibit A to the proposed order.

A handwritten signature in black ink, appearing to read 'Steven M. Olea', with a stylized, flowing script.

Steven M. Olea
Director
Utilities Division

SMO:JWL:kdh/WVC
Originator: Jian Liu

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BEFORE THE ARIZONA CORPORATION COMMISSION

GARY PIERCE
Chairman
BOB STUMP
Commissioner
SANDRA D. KENNEDY
Commissioner
PAUL NEWMAN
Commissioner
BRENDA BURNS
Commissioner

IN THE MATTER OF THE APPLICATION
OF GLOBAL WATER-PALO VERDE
UTILITIES COMPANY FOR APPROVAL
OF A RATE INCREASE.

DOCKET NO. SW-20445A-09-0077

IN THE MATTER OF THE APPLICATION
OF VALENCIA WATER COMPANY –
GREATER BUCKEYE DIVISION FOR THE
ESTABLISHMENT OF JUST AND
REASONABLE RATES AND CHARGES
FOR UTILITY SERVICE DESIGNED TO
REALIZE A REASONABLE RATE OF
RETURN ON THE FAIR VALUE OF ITS
PROPERTY THROUGHOUT THE STATE
OF ARIZONA
IN THE MATTER OF THE APPLICATION
OF WILLOW VALLEY WATER
COMPANY FOR THE ESTABLISHMENT
OF JUST AND REASONABLE RATES AND
CHARGES FOR UTILITY SERVICE
DESIGNED TO REALIZE A REASONABLE
RATE OF RETURN ON THE FAIR VALUE
OF ITS PROPERTY THROUGHOUT THE
STATE OF ARIZONA

DOCKET NO. W-02451A-09-0078

DOCKET NO. W-01732A-09-0079

IN THE MATTER OF THE APPLICATION
OF GLOBAL WATER – SANTA CRUZ
WATER COMPANY FOR THE
ESTABLISHMENT OF JUST AND
REASONABLE RATES AND CHARGES
FOR UTILITY SERVICE DESIGNED TO
REALIZE A REASONABLE RATE OF
RETURN ON THE FAIR VALUE OF ITS
PROPERTY THROUGHOUT THE STATE
OF ARIZONA

DOCKET NO. W-20446A-09-0080

IN THE MATTER OF THE APPLICATION
OF WATER UTILITY OF GREATER
TONOPAH FOR THE ESTABLISHMENT
OF JUST AND REASONABLE RATES AND
CHARGES FOR UTILITY SERVICE
DESIGNED TO REALIZE A REASONABLE
RATE OF RETURN ON THE FAIR VALUE
OF ITS PROPERTY THROUGHOUT THE
STATE OF ARIZONA

DOCKET NO. W-02450A-09-0081

IN THE MATTER OF THE APPLICATION
OF VALENCIA WATER COMPANY –
TOWN DIVISION FOR THE
ESTABLISHMENT OF JUST AND
REASONABLE RATES AND CHARGES
FOR UTILITY SERVICE DESIGNED TO
REALIZE A REASONABLE RATE OF
RETURN ON THE FAIR VALUE OF ITS
PROPERTY THROUGHOUT THE STATE
OF ARIZONA

DOCKET NO. W-01212A-09-0082

DECISION NO. _____

ORDER

BEST MANAGEMENT PRACTICES
COMPLIANCE FILING
PER DECISION NO. 71878

Open Meeting
July 18 and 19, 2012
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

Introduction

1. On September 14, 2010, the Arizona Corporation Commission (“Commission”) issued Decision No. 71878 which established new schedules of rates and charges for Global Water - Santa Cruz Water Company, Valencia Water Company - Town Division, Valencia Water Company - Greater Buckeye Division, Water Utility of Greater Tonopah and Willow Valley Water Company (collectively, the “Global Utilities”). As part of the Decision, the Commission ordered

Decision No. _____

1 that the Global Utilities submit Best Management Practices ("BMPs") for Staffs review and the
2 Commission's consideration. The Decision requires that the Global Utilities water systems with
3 average customer counts exceeding 5,000 shall have a minimum of 10 BMPs and Global Utilities
4 water systems with customer counts less than 5,000 shall have a minimum of three BMPs.¹

5 Company's Compliance Filing

6 2. On June 1, 2012, the Global Utilities filed their proposed BMP Tariffs. In their
7 compliance filing the Global Utilities are requesting Commission approval of the conservation
8 measures listed below. Global Utilities proposed the following three BMPs for Global Water -
9 Santa Cruz Water Company, Valencia Water Company - Town Division, Valencia Water
10 Company - Greater Buckeye Division, Water Utility of Greater Tonopah and Willow Valley Water
11 Company.

- 12 • **Local and/or Regional Messaging Program Tariff – BMP 1.1:** A program for the
13 Company to actively participate in a water conservation campaign with local or
14 regional advertizing.
- 15 • **Meter Repair and/or Replacement Tariff – BMP 4.2:** A program for the Utility to
16 systematically assess all in-service water meters (including Company production
17 meters) in its water service area to identify under-registering meters and to repair or
18 replace them.
- 19 • **Water System Tampering Tariff – BMP 5.2:** The purpose of this tariff is to promote
20 the conservation of groundwater by enabling the Utility to bring an action for damages
21 or to enjoin any activity against a person who tampers with the water system.

22 3. Global Utilities proposed the following seven additional BMPs for Global Water -
23 Santa Cruz Water Company and Valencia Water Company - Town Division. These two
24 Companies each have water systems with average customer counts exceeding 5,000.

25
26
27 ¹ The average customer count is used to determine the required number of BMPs for a Company with multiple water
28 systems. Decision No. 71878 page 87 lines 10-14.

- 1 • **Special Events/Programs and Community Presentations Tariff – BMP 1.2:** The
2 purpose for the Utility to give presentations and/or display and make available water
3 conservation information and related material at community and special events.
- 4 • **Youth Conservation Education Program Tariff – BMP 2.2:** A program for the
5 Utility to promote water conservation by increasing students' understanding of water
6 resources and the need to conserve.
- 7 • **Customer High Water Use Inquiry Resolution Tariff – BMP 3.6:** A program for the
8 Utility to assist its customers with their high water-use inquiries and complaints.
- 9 • **Leak Detection Program Tariff – BMP 4.1:** A program for the Utility to
10 systematically evaluate its water distribution system to identify and repair leaks.
- 11 • **Comprehensive Water System Audit Program Tariff – BMP 4.3:** A program for the
12 Utility to perform a systematic audit of its water system(s) and water records to identify
13 and quantify water losses.
- 14 • **Development of Industry Partnerships Tariff – BMP 7.6:** A program for the Utility
15 to encourage and implement collaborative efforts and activities to conserve and
16 promote the conservation of water.
- 17 • **Providing Financial Support or In-Kind Services for Development of New**
18 **Conservation Technologies and Products Tariff – BMP 7.7:** A program for the
19 Utility to encourage and implement collaborative efforts and activities to conserve and
20 promote the conservation of water.

21 **Staff's Analysis**

22 Background Information and Service Area Characteristics

23 4. Global Water Resources, Inc. ("GWRI") is the parent company of the Global
24 Utilities. The Global Utilities were acquired by GWRI between 2004 and 2006. GWRI was
25 serving approximately 40,000 active water and wastewater connections in portions of Maricopa,
26 Mohave, and Pinal Counties as of year-end 2011.

27 5. GWRI has been required under the Arizona Department of Water Resources'
28 ("ADWR") Modified Non-Per Capita Conservation Program ("MNPCCP") to implement BMPs.

Global Water – Santa Cruz Water Company resides in the Pinal Active Management Area (“AMA”) and the Valencia Water Company – Town Division resides in the Phoenix AMA. Both Global Water – Santa Cruz Water Company and Valencia Water Company – Town Division have more than 5,000 connections so both utilities were required by ADWR to implement five BMPs. BMPs 1.1, 2.2, 3.6, 4.3, 5.4 and 7.1 have been approved by ADWR. Four of the BMPs selected to meet MNPCCP requirements were also selected to meet Decision No. 71878 requirements.

Proposed Tariffs

6. Staff created a set of BMP tariff templates that were developed using the BMP descriptions outlined in the ADWR MNPCCP and relevant ADWR documents. ADWR representatives were provided with a copy of these templates; revisions were made to the templates where appropriate to incorporate any comments/suggestions provided by ADWR.

7. The BMP tariffs filed by the Global Utilities on June 1, 2012, were based on the templates developed by Staff. The tariffs that Staff and the Global Utilities reached agreement on generally conform to the templates developed by Staff. Minor modifications were included to reflect the Global Utilities’ specific management and operational requirements.

8. ADWR considers seven of the proposed BMPs, applicable to any service area. Staff concludes that the selected BMPs, are relevant to Global Utilities’ service area characteristics.

Recommendation

9. Staff has concluded that the BMPs proposed are relevant to the Global Utilities’ service area characteristics. The tariffs proposed by the Global Utilities generally conform to the templates developed by Staff. Therefore, Staff has recommended approval of the BMP tariffs filed by the Global Utilities on June 1, 2012, attached hereto as Exhibit A.

CONCLUSIONS OF LAW

1. Global Utilities is a public service corporation within the meaning of Article XV, Section 2, of the Arizona Constitution.

2. The Commission has jurisdiction over Global Utilities and of the subject matter of the application.

1 3. The Commission has reviewed the filing and Staff's Memorandum dated June 29,
2 2012, concludes that it is in the public interest to approve the proposed BMP tariffs attached hereto
3 as Exhibit A.

4 ORDER

5 IT IS THEREFORE ORDERED that the Global Water - Santa Cruz Water Company,
6 Valencia Water Company - Town Division, Valencia Water Company - Greater Buckeye Division,
7 Water Utility of Greater Tonopah and Willow Valley Water Company BMP tariffs attached hereto
8 as Exhibit A are hereby approved.

9 IT IS FURTHER ORDERED that the Global Water - Santa Cruz Water Company,
10 Valencia Water Company - Town Division, Valencia Water Company - Greater Buckeye Division,
11 Water Utility of Greater Tonopah and Willow Valley Water Company shall notify their customers,
12 in a form acceptable to Staff, of the BMP tariffs authorized herein and their effective date by
13 means of either an insert in the next regularly scheduled billing or by a separate mailing and shall
14 provide copies of the BMP tariffs to any customer, upon request.

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1 IT IS FURTHER ORDERED that the Global Water - Santa Cruz Water Company,
2 Valencia Water Company - Town Division, Valencia Water Company - Greater Buckeye Division,
3 Water Utility of Greater Tonopah and Willow Valley Water Company shall file with Docket
4 Control, as a compliance item in this docket, the BMP tariffs authorized herein within 30 days of
5 the effective date of this Decision.

6 IT IS FURTHER ORDERED that the BMP tariffs authorized herein shall go into effect 30
7 days after the date notice is sent to customers.

8 IT IS FURTHER ORDERED that this Decision become effective immediately.

9
10 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

11
12 _____
CHAIRMAN

COMMISSIONER

13
14
15 _____
COMMISSIONER

COMMISSIONER

COMMISSIONER

16
17 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,
18 Executive Director of the Arizona Corporation Commission,
19 have hereunto, set my hand and caused the official seal of
20 this Commission to be affixed at the Capitol, in the City of
21 Phoenix, this _____ day of _____, 2012.

22 _____
ERNEST G. JOHNSON
23 EXECUTIVE DIRECTOR

24
25 DISSENT: _____

26 DISSENT: _____

27 SMO:JWL:kdh/WVC
28

Decision No. _____

SERVICE LIST FOR: VALENCIA WATER COMPANY – GREATER BUCKEYE DIVISION,
WILLOW VALLEY WATER CO., GLOBAL WATER COMPANY – SANTA CRUZ WATER
COMPANY, WATER UTILITY OF GREATER TONOPAH, AND VALENCIA WATER
COMPANY – TOWN DIVISION

DOCKET NOS.: W-02451A-09-0078, W-01732A-09-0079, W-20446A-09-0080,
W-02450A-09-0081, AND W-01212A-09-0082

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ORIGINAL



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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

GARY PIERCE, Chairman
BOB STUMP
PAUL NEWMAN
SANDRA D. KENNEDY
BRENDA BURNS

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2012 JUN 1 PM 3 42

IN THE MATTER OF THE APPLICATION OF
GLOBAL WATER - PALO VERDE UTILITIES
COMPANY FOR THE ESTABLISHMENT OF JUST AND
REASONABLE RATES AND CHARGES FOR UTILITY
SERVICE DESIGNED TO REALIZE A REASONABLE
RATE OF RETURN ON THE FAIR VALUE OF ITS
PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. SW-20445A-09-0077

IN THE MATTER OF THE APPLICATION OF
VALENCIA WATER COMPANY - GREATER
BUCKEYE DIVISION FOR THE ESTABLISHMENT OF
JUST AND REASONABLE RATES AND CHARGES FOR
UTILITY SERVICE DESIGNED TO REALIZE A
REASONABLE RATE OF RETURN ON THE FAIR
VALUE OF ITS PROPERTY THROUGHOUT THE
STATE OF ARIZONA

DOCKET NO. W-02451A-09-0078

IN THE MATTER OF THE APPLICATION OF
WILLOW VALLEY WATER CO. FOR THE
ESTABLISHMENT OF JUST AND REASONABLE
RATES AND CHARGES FOR UTILITY SERVICE
DESIGNED TO REALIZE A REASONABLE RATE OF
RETURN ON THE FAIR VALUE OF ITS PROPERTY
THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-01732A-09-0079

IN THE MATTER OF THE APPLICATION OF
GLOBAL WATER - SANTA CRUZ WATER COMPANY
FOR THE ESTABLISHMENT OF JUST AND
REASONABLE RATES AND CHARGES FOR UTILITY
SERVICE DESIGNED TO REALIZE A REASONABLE
RATE OF RETURN ON THE FAIR VALUE OF ITS
PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-20446A-09-0080

IN THE MATTER OF THE APPLICATION OF
WATER UTILITY OF GREATER TONOPAH FOR
THE ESTABLISHMENT OF JUST AND REASONABLE
RATES AND CHARGES FOR UTILITY SERVICE
DESIGNED TO REALIZE A REASONABLE RATE OF
RETURN ON THE FAIR VALUE OF ITS PROPERTY
THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-02450A-09-0081

Notice of Filing Compliance
(Decision No. 71878)

Arizona Corporation Commission

DOCKETED

JUN 01 2012

DOCKETED BY

Decision No. _____

1 IN THE MATTER OF THE APPLICATION OF
 2 VALENCIA WATER COMPANY – TOWN DIVISION
 3 FOR THE ESTABLISHMENT OF JUST AND
 4 REASONABLE RATES AND CHARGES FOR UTILITY
 5 SERVICE DESIGNED TO REALIZE A REASONABLE
 6 RATE OF RETURN ON THE FAIR VALUE OF ITS
 7 PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-01212A-09-0082

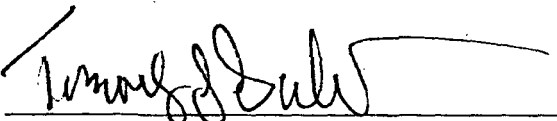
**Notice of Filing Compliance
 (Decision No. 71878)**

8 Decision No. 71878 (dated September 15, 2010) requires that Global Water – Santa Cruz
 9 Water Company, Valencia Water Company – Town Division, Valencia Water Company –
 10 Greater Buckeye Division, Water Utility of Greater Tonopah and Willow Valley Water Co.
 11 (collectively, the “Global Utilities”) submit a copy of their Demand Side Management Program
 12 Tariffs (“DSM”), including ADWR Best Management Practices (“BMPs”) for Staff’s review and
 13 Commission consideration. Accordingly, the Global Utilities filed their proposed DSM/BMP
 14 Tariff on November 15, 2010. Based on Staff direction, the Global Utilities have modified their
 15 DSM/BMP Tariff, to include only ADWR Best Management Practices. A copy of the revised
 16 DSM/BMP Tariff is attached.

17 RESPECTFULLY SUBMITTED this 1st day of June 2012.

18 ROSHKA DEWULF & PATTEN, PLC

19 By



20 Michael W. Patten
 21 Timothy J. Sabo
 22 One Arizona Center
 23 400 East Van Buren Street, Suite 800
 24 Phoenix, Arizona 85004

Attorneys for Global Utilities

25 Original +13 copies of the foregoing
 26 filed this 1st day of June 2012, with:

27 Docket Control
 Arizona Corporation Commission
 1200 West Washington
 Phoenix, AZ 85007

1 Copies of the foregoing hand-delivered/mailed
2 this 1st day of June 2012, to:

3 Lyn A. Farmer, Esq.
4 Chief Administrative Law Judge
5 Hearing Division
6 Arizona Corporation Commission
7 1200 West Washington
8 Phoenix, AZ 85007

9 Janice Alward, Esq.
10 Chief Counsel, Legal Division
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14 Mr. Steve Olea
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25 By Debbie Arnold



Best Management Practices Tariffs

APPLICABLE TO:

- Global Water – Palo Verde Utilities Company
- Global Water – Santa Cruz Water Company
- Valencia Water Company – Town Division
- Valencia Water Company – Greater Buckeye Division
- Water Utility of Greater Tonopah
- Willow Valley Water Company

The Global Water Utilities will augment the requirements of the Arizona Department of Water Resources Modified Non-Per Capita Conservation Program in accordance with Decision #71878 as follows:

- Water systems with customer counts exceeding 5,000 shall incorporate a minimum of 10 Best Management Practices;
- Water systems with customer counts less than 5,000 shall incorporate a minimum of 3 Best Management Practices.

A matrix of the selected BMPs identified to each utility is included as Appendix A. Included in Appendix B is the selected BMP's explained in detail.



Appendix A

Best Management Practices Tariff Matrix

The following table represents the Best Management Practice (BMP) Tariffs for the Global Water Utilities water systems. The large systems are required to have 10 BMP's and the small systems are required to have 3 BMP's.

Utility	Water System	Best Management Practices (BMP) Tariffs									
		1.1 BMP - Local and/or Regional Messaging Program	1.2 BMP - Special Events & Community Presentations	2.2 BMP - Youth Education	3.6 BMP - High Water Use Inquiry	4.1 BMP - Leak Detection	4.2 BMP - Meter Repair or Replacement	4.3 BMP - Water System Audit	5.2 BMP - Water System Tampering	7.6 BMP - Industry Partnerships	7.7 BMP - Support of New Conservation Technologies & Products
Global Water - Santa Cruz Water Company	Santa Cruz Water Company AZ04-11-51	X	X	X	X	X	X	X	X	X	X
Valencia Water Company - Town Division	Valencia Water Company AZ04-07-078	X	X	X	X	X	X	X	X	X	X
Valencia Water Company - Greater Buckeye Division	Valencia Water Company AZ04-07-078	X	X	X	X	X	X	X	X	X	X
	Butler AZ04-07-114	X									
	Sonoran Ridge AZ04-07-732	X									
	Sun Valley AZ04-07-195	X									
	Sweetwater AZ04-07-129	X									
Water Utility of Greater Tonopah	B&D AZ04-07-618	X									
	Dixie AZ04-07-030	X									
	WPE AZ04-07-733	X									
	Garden City AZ04-07-037	X									
	Roseview AZ04-07-082	X									
	Sunshine AZ04-07-071	X									
	Tulte AZ04-07-016**	X									
	WPE1**	X									
Willow Valley Water Company	Co. King Street AZ04-08-060	X									
	Lake Camaron AZ04-08-129	X									

** Indicates the water systems are not public water systems in accordance with the criteria requirements of the Arizona Department of Environmental Quality.



Appendix B

Best Management Practices Tariffs

Company: Global Water – Santa Cruz Water Company,
 Valencia Water Company –Town Division,
 Valencia Water Company – Greater Buckeye Division,
 Water Utility of Greater Tonopah, and
 Willow Valley Water Company

Decision No.: 71878

Phone: 623-518-4000

Effective Date: _____

Local and/or Regional Messaging Program Tariff – BMP 1.1

PURPOSE

A program for the Utility to actively participate in a water conservation campaign with local or regional advertizing (Modified Non-Per Capita Conservation Program BMP Category 1: Public Awareness/Public Relations 1.1: Local and/or Regional Messaging Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Utility or designated representative shall actively participate in water conservation campaign with local and/or regional advertising.
2. The campaign shall promote ways for customers to save water.
3. The Utility shall facilitate the campaign through one or more of the following avenues (not an all inclusive list):
 - a. Television commercials
 - b. Radio commercials
 - c. Websites
 - d. Promotional materials
 - e. Vehicle signs
 - f. Bookmarks
 - g. Magnets
4. The Utility shall keep a record of the following information and make it available to the Commission upon request.
 - a. A description of the messaging program implemented and program dates.
 - b. The number of customers reached (or an estimate).
 - c. Costs of Program implementation.
5. The Utility may request recovery of the actual costs associated with implementing this BMP in a future rate application.

Company: Global Water – Santa Cruz Water Company,
and Valencia Water Company –Town Division

Decision No.: 71878

Phone: 623-518-4000

Effective Date: _____

Special Events/Programs and Community Presentations Tariff – BMP 1.2

PURPOSE

A program for the Utility to give presentations and/or display and make available water conservation information and related material at community and special events (Modified Non-Per Capita Conservation Program BMP Category 1: Public Awareness/Public Relations 1.2: Special Events/Programs and Community Presentations).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Utility shall participate in but not be limited to, water related, conservation organizations which may include WaterReuse Az Section, Westmarc, WESTCAPS, Pinal Partnership, and the Pinal County Water Augmentation Authority.
2. The Utility shall provide regular presentations to external organizations; such organizations may include but are not limited to Maricopa Citizen's Leadership Academy, Maricopa Agricultural Center, US Arid Land Agricultural Research Center, and the Sustainable Pinal Citizen Task Force.
3. Presentation information shall include water saving tips, home preparation recommendations for water systems/pipes, landscape maintenance issues for summer and winter, Xeriscape information, youth education materials and any additional pertinent topics.
4. The Utility shall keep a record of the following information and make it available to the Commission upon request.
 - a. A description of each special event and the date.
 - b. The number of customers reached (or an estimate).
 - c. A description of the written water conservation material provided free to customers.
 - d. Costs of the Special Events/Programs and Community Presentations implementation.
5. The Utility may request recovery of the actual costs associated with implementing this BMP in a future rate application.

Company: Global Water – Santa Cruz Water Company,
and Valencia Water Company –Town Division

Decision No.: 71878

Phone: 623-518-4000

Effective Date: _____

Youth Conservation Education Program Tariff – BMP 2.2

PURPOSE

A program for the Utility to promote water conservation by increasing students' understanding of water resources and the need to conserve (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.2: Youth Conservation Education Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Utility shall maintain an active involvement in the Arizona Project WET(Water Education for Teachers) campaign which is a non-profit organization for water education for teachers, or participate in a similar program. Global Water is already an active supporter for Arizona Project WET, and will extend support by initiating the message of such programs into the local schools in the service area. Support and assistance will also be provided in the form of facility availability and curriculum material distribution.
2. The Utility shall offer guided tours of its water and water reclamation facilities for schools and community groups and provide advisory services for ProjectWET's SWAP program (School Water Assessment Program) and Central Arizona College's technical advisory committee.
3. The Utility shall participate in an Internship Program with local school districts and/or community colleges offering a career track for entry level technicians into the water resources management field.
4. The Utility shall provide the following teacher resources.
 - a. Offer Project WET (Water Education for Teachers) workshops to teachers.
 - b. Provide free resource materials and information upon request.
 - c. Provide in-classroom presentations upon request provided adequate notice has been given to allow for scheduling.
5. The Utility shall make available free water conservation workbooks for elementary school students.
6. The Utility shall keep a record of the following information and make it available upon request.
 - a. A description of the youth conservation education process implemented.
 - b. The number of students reached (or an estimate).
 - c. A description of the written water conservation material provided free to students.
 - d. Costs of the Youth Conservation Education Program implementation.
7. The Utility may request recovery of the actual costs associated with implementing this BMP in a future rate application.

Company: Global Water – Santa Cruz Water Company,
and Valencia Water Company–Town Division

Decision No.: 71878

Phone: 623-518-4000

Effective Date: _____

Customer High Water Use Inquiry Resolution Tariff – BMP 3.6

PURPOSE

A program for the Utility to assist its customers with their high water-use inquiries and complaints (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.6: Customer High Water Use Inquiry Resolution).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Utility shall handle high water use inquiries as calls are received.
2. Calls shall be taken by a customer service representative who has been trained on typical causes of high water consumption as well as leak detection procedures that customers can perform themselves.
3. Upon request by the customer or when the Utility determines it is warranted, a trained Field Technician shall be sent to the customer's residence to conduct a leak detection inspection and further assist the customer with water conservation measures.
4. The Utility shall follow up in some way on every customer inquiry or complaint and keep a record of inquiries and follow-up activities.
5. The Utility may request recovery of the actual costs associated with implementing this BMP in a future rate application.

Company: Global Water – Santa Cruz Water Company,
and Valencia Water Company –Town Division

Decision No.: 71878

Phone: 623-518-4000

Effective Date: _____

Leak Detection Program Tariff – BMP 4.1

PURPOSE

A program for the Utility to systematically evaluate its water distribution system to identify and repair leaks (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.1 Leak Detection Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Utility shall implement a comprehensive leak detection and repair program and shall seek to attain and maintain a less than 10 percent unaccounted for water loss in its system(s). The program must include auditing procedures, in-field leak detection and repair efforts. The Company shall take whatever steps, as determined by the Company to be prudent and appropriate, to ensure that its water system is operating at optimal efficiency.
2. The Utility shall employ water accounting as a routine business practice, producing monthly reports to track water use for each water system.
3. The Utility shall monitor the following parameters:
 - a. Volume of Water Distributed - generated directly from SCADA or via facility checks and rounds data.
 - b. Volume of Water Billed – this data is generated from our automated meter reading (AMR) system or through our customer information system. This information is augmented by the following automated reports:
 - i. Exception Reporting – Unusual usage patterns are flagged during routine reporting. These accounts are investigated, including field checks as necessary.
 - ii. Zero Usage Reporting - For all active accounts that have zero usage for more than a single billing period, a field investigation service order will be issued.
 - iii. Vacant Home Usage Reporting – For all vacant homes that register usage, a field investigation service order will be issued.
 - iv. Manual reads and checks – When the AMR systems do not capture a read, Global shall issue a manual read service order to prevent estimated or zero usage reads.
 - v. AMR Alerts and Reports - The AMR systems themselves indicate many different failure or alert conditions. Error will result in an immediate field investigation service order.

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- vi. Authorized Utility Usage Reports – this represents primarily internal Utility usage. These volumes are captured within our Cityworks work order management system.
- 4. Inspections: Where water loss exceeds acceptable limits (is 10 percent or greater), Operations personnel shall physically walk the waterline routes inspecting for visual indications of leaks. At all locations where leakage is evident, the pipeline shall be scheduled for immediate repair. These inspections shall occur at all plant facilities, including tankage and mechanical piping, ensuring there is no on-site water loss.
- 5. Electronic Leak Detection: The Utility may choose to employ electronic leak detection as part of its Smart Grid for Water development.
- 6. The Utility shall keep accurate and detailed records concerning its leak detection and repair/rehabilitation program and the associated costs. Records of repairs shall include: possible causes of the leak; estimated amount of water lost; and date of repair. These records shall be made available to the Commission upon request.
- 7. The Utility shall maintain a complete set of updated distribution system maps. The Utility shall ensure that properly functioning (accurate) and appropriately sized meters are installed on all service and source connections.
- 8. When determined necessary by the Utility, meter inspections will be accomplished by having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be under-registering or other broken parts which need repair. In addition, meters shall be randomly selected for flow testing to identify potentially under-registering meters.
- 9. The Utility shall conduct a water audit annually which includes the following steps to determine how efficient each water system is operating and where the losses might be.
 - a. Use coordinated monthly source and service meter readings to calculate how much water enters and leaves the system during the 12 month review period.
 - b. Track and estimate any unmetered authorized uses.
 - c. Calculate the total amount of leakage using the following formula:

$$\text{Unaccounted for water (\%)} = [(\text{Production and/or purchased water minus metered use \& estimated authorized un-metered use}) / (\text{Production and/or purchased water})] \times 100\%$$
 - d. Authorized un-metered uses may include firefighting, main flushing, process water for water treatment plants, etc. Water losses include all water that is not identified as authorized metered water use or authorized un-metered use.
 - e. Determine possible reasons for leakage, including physical leaks and unauthorized uses.
 - f. Analyze results to determine the improvements needed, such as, better accounting practices, leak survey or replacing old distribution pipes.
- 10. The Utility shall keep accurate and detailed records concerning its annual water audit results. These records shall be made available to the Commission upon request.

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11. The Utility may request recovery of the actual costs associated with implementing this BMP in a future rate application.

Company: Global Water -- Santa Cruz Water Company,
 Valencia Water Company --Town Division,
 Valencia Water Company -- Greater Buckeye Division,
 Water Utility of Greater Tonopah, and
 Willow Valley Water Company.

Decision No.: 71878

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Effective Date: _____

Meter Repair and/or Replacement Tariff -- BMP 4.2

PURPOSE

A program for the Utility to systematically assess all in-service water meters (including Company production meters) in its water service area to identify under-registering meters and to repair or replace them (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.2 Meter Repair and/or Replacement Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. On a systematic basis, the Utility will inspect 100 percent of its 1-inch and smaller in-service water meters at least once every ten years or for one of the following reasons (whichever occurs first):
 - a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
 - b. A meter has been in service for ten years.
2. Meters larger than 1-inch shall be inspected for one of the following reasons:
 - a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
 - b. A meter has been in service for five years.
3. The inspection will be accomplished by having a Utility Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be under-registering or other broken parts which need repair. In addition, meters shall be randomly selected for flow testing to identify potentially under-registering meters.
4. The Utility shall also replace or reprogram any water meters that do not register in gallons.
5. The Utility may request recovery of the actual costs associated with implementing this BMP in a future rate application.
6. The Utility shall keep records on the number of meters that were replaced and make this information available to the Commission upon request.

Company: Global Water – Santa Cruz Water Company,
and Valencia Water Company –Town Division

Decision No.: 71878

Phone: 623-518-4000

Effective Date: _____

Comprehensive Water System Audit Program Tariff – BMP 4.3

PURPOSE

A program for the Utility to perform a systematic audit of its water system(s) and water records to identify and quantify water losses (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.3 Comprehensive Water System Audit Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Utility shall perform a comprehensive audit of its water distribution system(s), systems control equipment, production and treatment facilities and water records to identify and quantify water losses.
2. The audit shall include an analysis of results that includes plans for corrective measures to attain and maintain a goal of less than 10 percent unaccounted for water loss in its system(s).
3. This BMP will remain in effect as long as permitted by ADWR. To the extent ADWR requests Utility to select a different BMP, the Utility shall comply with ADWR's directive and file the new BMP with the Commission.
4. The Utility shall conduct a water audit which includes the following steps to determine how efficient each water system is operating and where the losses might be.
 - a. Use coordinated monthly source and service meter readings to calculate how much water enters and leaves the system during the 12 month review period.
 - b. Track and estimate any unmetered authorized uses.
 - c. Calculate the total amount of leakage using the following formula:

Unaccounted for water (%) = $\left[\frac{\text{Production and/or purchased water minus metered use \& estimated authorized un-metered use}}{\text{Production and/or purchased water}} \right] \times 100$

- d. Authorized un-metered uses may include firefighting, main flushing, process water for water treatment plants, etc. Water losses include all water that is not identified as authorized metered water use or authorized un-metered use.
- e. Determine possible reasons for leakage, including physical leaks and unauthorized uses.
- f. Analyze results to determine the improvements needed, such as, better accounting practices, leak survey or replacing old distribution pipes. All such improvements are subject to the appropriate financial analysis to determine viability.

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5. The Utility shall take appropriate steps to ensure that its water system is operating at optimal-efficiency.
6. The Utility shall keep accurate and detailed records concerning its annual water audit results and the associated costs. These records shall be made available to the Commission upon request.
7. The Utility may request recovery of the actual costs associated with implementing this BMP in a future rate application.

Company: Global Water – Santa Cruz Water Company,
 Valencia Water Company –Town Division,
 Valencia Water Company – Greater Buckeye Division,
 Water Utility of Greater Tonopah, and
 Willow Valley Water Company

Decision No.: 71878

Phone: 623-518-4000

Effective Date: _____

WATER SYSTEM TAMPERING TARIFF – BMP 5.2

PURPOSE

The purpose of this tariff is to promote the conservation of groundwater by enabling the Utility to bring an action for damages or to enjoin any activity against a person who tampers with the water system.

REQUIREMENTS:

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission, specifically Arizona Administrative Code ("AAC") R14-2-410 and the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. In support of the Utility's water conservation goals, the Utility may bring an action for damages or to enjoin any activity against a person who: (1) makes a connection or reconnection with property owned or used by the Utility to provide utility service without the Utility's authorization or consent; (2) prevents a Utility meter or other device used to determine the charge for utility services from accurately performing its measuring function; (3) tampers with property owned or used by the Utility; or (4) uses or receives the Utility's services without the authorization or consent of the Utility and knows or has reason to know of the unlawful diversion, tampering or connection. If the Utility's action is successful, the Utility may recover as damages three times the amount of actual damages.
2. Compliance with the provisions of this tariff will be a condition of service.
3. The Utility shall provide to all its customers, upon request, a complete copy of this tariff and AAC R14-2-410. The customers shall follow and abide by this tariff.
4. If a customer is connected to the Utility water system and the Utility discovers that the customer has taken any of the actions listed in No. 1 above, the Utility may terminate service per AAC R14-2-410.
5. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

Company: Global Water – Santa Cruz Water Company,
and Valencia Water Company –Town Division

Decision No.: 71878

Phone: 623-518-4000

Effective Date: _____

Development of Industry Partnerships Tariff – BMP 7.6

PURPOSE

A program for the Utility to encourage and implement collaborative efforts and activities to conserve and promote the conservation of water (Modified Non-Per Capita Conservation Program BMP Category 7: Research/Innovation Program 7.6: Development of Industry Partnerships).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Utility shall encourage and implement collaborative efforts and activities with community/industry partners to conserve and promote the conservation of water.
2. The Utility shall remain current on new products, advice, and innovations through on-going communication with manufacturers of water conservation technologies, other water providers, landscape watering equipment providers and landscape providers and experts.
3. The Utility shall maintain records of each partnership the Utility enters into and make copies of the partnership documents available to the Commission upon request.
4. The Utility shall keep records of the ongoing and any future efforts relating to the partnership objectives and make it available to the Commission upon request.
5. The Utility may request recovery of the actual costs associated with implementing this BMP in a future rate application.

Company: Global Water – Santa Cruz Water Company,
and Valencia Water Company –Town Division

Decision No.: 71878

Phone: 623-518-4000

Effective Date: _____

**Providing Financial Support or In-kind Services for Development
of New Conservation Technologies and Products Tariff –
BMP 7.7**

PURPOSE

A program for the Utility to encourage and implement collaborative efforts and activities to conserve and promote the conservation of water (Modified Non-Per Capita Conservation Program BMP Category 7: Research/Innovation Program 7.7: Providing Financial Support or In-kind Services for Development of New Conservation Technologies and Products).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Utility shall encourage and implement New Conservation Technologies and Products to conserve and promote the conservation of water.
2. The Utility shall submit documentation that includes a description of the utilities involvement/participation and method(s) of support and a description of the analysis and results.
3. The Utility shall keep a record of the documentation, and make it available to the Commission upon request.
4. The Utility may request recovery of the actual costs associated with implementing this BMP in a future rate application.